



**Minutes of Board Meeting No. 51 held on Monday 7 March 2016
at 09.30, CCNI, Lurgan.**

Present:

Tom McGrath, Chief Commissioner
Walter Rader, Deputy Chief Commissioner
Steven Cockcroft, Commissioner (Legal)
Geraldine Donaghy, Commissioner
Norman Bennett, Commissioner
Brenda Maitland, Commissioner
Seamus Magee, Commissioner

In Attendance:

Frances McCandless, Chief Executive
Aubrey McCrory, Head of Corporate Services
Punam McGookin, Head of Charity Services
Myles McKeown, Head of Compliance and Enquiries
Kathryn Jennett, Administrative Officer

1. Minutes of Meeting 25 January 2016

Following discussion, the minutes of the meeting held on 25 January 2016 were, subject to minor amendment, agreed as a true and correct record as proposed by Steven Cockcroft and seconded by Walter Rader.

AP 1: Board minutes to be published on CCNI website

2. Notes of recent meeting

It was noted an additional meeting was held to discuss registration processes relating to high profile cases. Out of this an action plan has been developed, against which the Chief Executive will report at a future meeting.

3. Conflicts of Interest

The Chair reminded Commissioners of the Freedom of Information protocol and the need to declare any conflicts of interest prior to the meeting. Members highlighted a number of conflicts related to organisations that appeared in the papers including AGE NI - Tom McGrath and Walter Rader, Odyssey Trust - Steven Cockcroft and Walter Rader, Presbyterian Children's Society - Norman Bennett. Since no decisions were to be made regarding any of these organisations, the declared potential conflicts were noted.

4. Chair's Business, Correspondence and Meetings

The Chair advised that he and the Chief Executive had met with the Minister at Stormont on 22 February 2016 and the Minister had visited the Commission's offices on 2 March 2016. The Chair advised that he had received correspondence from Mr Ron Woods in relation to an ongoing statutory enquiry and a response would be issued. Following a review of the recent Board residential it was agreed any similar events would also incorporate a Board meeting, and steps would be taken to coordinate weekly communications to Commissioners.

5. Chief Executive's Report

The Chief Executive introduced her report to the Board, and advised she had attended the Departmental Management Board which discussed the Commission's budget and organisational risks. Following this sponsor branch had indicated the Commission's budget would in effect be frozen in 2016/17. The board noted the Northern Ireland Ombudsman had contacted the Commission regarding a complaint about the processing of issues related to an enquiry.

Preparations for onboarding to HR Connect were highlighted including training for users of the new system. The Board noted that work on updating the on line registration portal was underway and implementation plans included turning off the old system in April. This would mean any incomplete applications not submitted at that time would be lost and charities had been advised accordingly. The Board discussed charity adherence to reporting deadlines and steps taken by staff to ensure compliance in quarter 4. The amount of reminders was not sustainable and it was agreed charity Trustees had to take responsibility for ensuring their organisation did not appear 'in default' on the register with resulting loss of public confidence in the organisation.

The Chief Executive agreed to reprioritise resources to issue draft minutes and action points as soon as possible after each board and committee meeting.

AP 2: Draft minutes and action points to be issued as soon as possible after each board and committee meeting.

6. Issues from Audit & Risk Assurance Committee

6a. Minutes 18 November 2015

The Chair of the Audit & Risk Assurance Committee introduced the minutes to the Board as a true and accurate record of the meeting of 18 November 2015, and the minutes were agreed following proposal by Brenda Maitland and seconded by Walter Rader.

AP3: A&RA Committee minutes to be published on CCNI website

6b. Risk Appetite for new Business plan

The Chair of Audit & Risk Assurance introduced the paper to the Board and highlighted the approach including areas of low, medium and high risk appetites. The paper was agreed following proposal by Walter Rader and Seconded by Seamus Magee.

6c. Review of TOR

The Chair of the Audit & Risk Assurance Committee updated the Board that the Terms of Reference had been considered at the last meeting and there were no substantive changes, with one minor item dealt with under item 6e Review of Risk policy.

6d. Internal Audit – 3 Year Audit Strategy

The Chair of the Audit & Risk Assurance Committee advised that he and the Chief Executive had met with Internal Audit to establish an audit strategy for the next 3 years. Following discussion, the committee had proposed including registration assurance in phase 1 of the 2016/17 programme. The overall internal audit strategy was recommended to the Board and agreed following proposal by Geraldine Donaghy and seconded by Steven Cockcroft.

6e. Review risk management policy

The Chair of the Audit & Risk Assurance Committee outlined the review undertaken and highlighted the principles of the Commission's overall approach to risk management. The Chair of the Board underlined that Commissioners should highlight any risks they perceived to the Board and their contributions were welcome. It was noted that, going forward, the corporate risk register would include a section covering "the management of major incidents, control enhancements to address potential weaknesses, and lessons learnt" and this would effect a change to Section 7.0 Information requirements of the A&RA committee's terms of reference. The risk policy was approved following recommendation as proposed by Brenda Maitland and seconded by Walter Rader.

6f. Review of Fraud policy, Fraud response plan /Bribery Policy

The Chair of the Audit & Risk Assurance Committee introduced the policies and response plan to the Board. The Head of Corporate Services highlighted staff training and input to identification of fraud and bribery risks. The policies were recommended to the Board for approval as proposed by Walter Rader and seconded by Geraldine Donaghy.

6g. Risk register

The Chair of Audit & Risk Assurance Committee introduced the register to the Board, and highlighted the potential to reduce risk 1 following confirmation of the 2016/17 budget and the need to better reflect the risk of not increasing resourcing for compliance monitoring. The register was agreed, subject to

risk 1 being amended, as proposed by Walter Rader and seconded by Geraldine Donaghy.

AP4: CR1 risk level to be reduced

AP5: New risk register to be developed to reflect 2016/17 Business Plan including risk of not increasing resources for compliance monitoring.

6h. Finance procedures

The Chair of Audit & Risk Assurance Committee introduced the amended procedures to Commissioners. The Board discussed the issue of Business Travel insurance cover and requested clarification on the extent of provision. Following discussion the procedures were approved as proposed by Walter Rader and seconded by Geraldine Donaghy.

AP6: Clarification to be sought re Business travel insurance cover

7. Issues from HR Committee

7a. Minutes 10 December 2015

The Chair of the HR Committee introduced the minutes to the Board and the proposal that one Board meeting a year have a HR focus was accepted. The Board agreed the minutes of 10 December 2015 as a true and accurate record of the meeting as proposed by Seamus Magee and seconded by Steven Cockcroft.

AP7: HR Committee minutes to be published on CCNI website

7b. Re-drafted policies

The Chair of the HR Committee introduced the redrafted Maternity leave and pay policy, Probationary Policy, Working Hours and Leave policy and Ordinary Parental leave policies. Following discussion the policies were accepted and agreed by the Board as proposed by Geraldine Donaghy and seconded by Walter Rader.

8. Final Strategic and business plans

The Head of Corporate Services introduced the plans to the Board and advised that, following confirmation of the budget freeze, the business plan would be finalised and submitted to the Minister for approval before the end of March. In relation to the 3 year strategic plan, until the new Department for Communities is established and the Executive Programme for Government and Budget agreed the Commission would not have budget parameters beyond year 1. Commissioners agreed to reallocate as much 2016/17 resourcing as practical to compliance monitoring and asked that a summary section be drafted with an emphasis on the risk to building an effective compliance monitoring culture posed by the sponsor Department's decision not to adopt the full Compliance regime option. The plans were

agreed in principle, subject to further amendments and revision, as proposed by Seamus Magee and seconded by Steven Cockcroft.

AP8: Strategic and business plans to be finalised and forwarded to the Department

9. New sections to Enquiries manual

The Head of Compliance and Enquiries outlined the paper to the Board and underlined the changes arising from the commencement of two new sections to the Charities Act (Northern Ireland) 2008. The amendments were agreed as proposed by Walter Rader and seconded by Geraldine Donaghy.

10. Matters of material significance (Whistleblowing) policy for auditors

The Head of Compliance and Enquiries introduced the paper to the Board and highlighted the need for consideration of the wording on matters which auditors/independent examiners must report to charity regulators in England & Wales and Scotland. Some difficulties had been identified in relation to ensuring proper consideration of provisions in the Good Friday Agreement 1998 (GFA) relating to treatment of terrorist convictions. Commissioners considered Counsel's opinion and the Legal Commissioner agreed with the suggested wording, and advised that this should be recommended to the other charity regulators on a UK-wide basis to ensure affected individuals are covered if they live in England, Wales or Scotland. It was noted procedures would be developed to deal with any reports from auditors or independent assessors. The paper was agreed as proposed by Steven Cockcroft and seconded by Seamus Magee.

11. Three year Comms Strategy

The Head of Corporate Services introduced the strategy to the Board which noted the work of the Task & Finish group. Further work to develop an annual communications plan and key communication messages were outlined. The strategy framework was agreed in principal as proposed by Seamus Magee and seconded by Brenda Maitland.

12. Six Monthly review of MSFM

The Chief Executive introduced the review and concluded there were no issues of non compliance. The Board noted the review and the overall assessment at this time.

13. Performance Information Data Hub Report

The Board welcomed the information and the breakdown of registration figures in particular. No further information needs were identified.

14. Casework Update

The Head of Charity Services introduced the paper to the Board highlighting that the key business plan target for making decision on applications had been achieved. Work on calling further tranches forward would begin in April

as would the failure to apply process, with in the region of 400 cases likely to be referred to Monitoring and Compliance. Information on high risk high interest cases was agreed as useful.

15. Investigation Update

The Head of Enquiries and Compliance introduced the paper to the Board and advised that the Commission will be undertaking an exercise to identify potential Trustees and Interim Managers that can be called on in future enquiries. The Board noted the update.

16. Monitoring and Compliance Update

The Head of Enquiries and Compliance introduced the paper to the Board and advised that a Task & Finish group had been set up to consider the Monitoring and Compliance procedures. It was agreed Commissioner involvement would be towards the end of the development process.

17. Budget

The Head of Corporate Services introduced the report to the Board which noted the overall spend and variances.

18. Legal Update

The Board noted the update for information.

19. Press Clippings

Noted.

20. Hospitality Register

Noted.

21. Review of Meeting

No issues were noted.

22. Issues for next meeting 16 May 2016

Noted.

23. AOB

The meeting concluded at 12.50 hrs

Register of Outstanding Action Points					
Board Meeting and Action Point Number	Date Raised	Agenda Item	Action	Owners	Status
48 (3)	11/11/2015	Chief Executive's Report	Commission to contact the Law Society regarding placement students	HoCS	Complete
49(3)	17/12/2015	Chief Executive's Report	Chief Commissioner to draft agenda for board meeting with CRA	Chief Commissioner	Underway
50 (4)	25/01/16	MOU with CCEW	Signed versions of MOU to be exchanged with CCEW	HCorpS	Complete
50 (6)	25/01/16	Final version of Capacity Review	Strategic and Business plans to be submitted to the Department	HCorpS	Complete
50 (7)	25/01/16	Casework Update	Head of Charity Services to communicate with banks regarding Charities opening bank accounts	HCS	Complete
51 (1)	7/03/16	Minutes of Meeting 25 January 2016	Board minutes to be published on CCNI website	Kathryn	Complete
51 (2)	7/03/2016	Chief Executive's Report	Draft minutes and action points to be issued as soon as possible after each board and committee meeting.	Kathryn	Complete
51 (3)	7/03/16	Issues from Audit & Risk Assurance Committee Minutes 18 November 2015	A&RA Committee minutes to be published on CCNI website	Kathryn	Complete

51 (4)	7/03/16	Risk register	Risk level at CR1 to be reduced	HCorpS	Complete
51 (5)	7/03/16	Risk register	New risk register to be developed to reflect 2016/17 Business Plan including risk of not increasing resources for compliance monitoring.	HCorpS	Underway
51 (6)	7/03/16	Finance procedures	Clarification to be sought regarding Business travel insurance cover.	HCorpS	Complete
51 (7)	7/03/16	Issues from HR Committee Minutes 10 December 2015	HR Committee minutes to be published on CCNI website	Kathryn	Complete
51 (8)	7/03/16	Final Strategic and business plans	Strategic and business plans amended and forwarded to the Department	HCorpS	Complete